

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil Action No. 98-CV-00521
)	
THE STATE OF OKLAHOMA)	
And)	
OKLAHOMA WATER RESOURCES BOARD,)	
)	
Defendants.)	

ORDER

On this the 3rd day of September, 2009, Plaintiff, the United States of America (hereinafter "Plaintiff" or the "United States"), and Defendants, the State of Oklahoma and Oklahoma Water Resources Board (hereinafter "Oklahoma"), present the Court with this Order. All parties request that this Order be accepted and entered as the Order of the Court in resolution of the Motion by the United States to Enforce the Judgment heretofore filed in this case on December 18, 2008.

The Court, being fully informed as to the particulars in this Order, hereby finds that this Order does represent an agreed resolution of the dispute between the United States and Oklahoma regarding satisfaction of the Judgment entered in this case on May 19, 2005, and that such Order is fair, equitable, and just and in

the public interest and as such is now approved and adopted as an Order of this Court.

This Order sets forth the times and amounts of payments to be made under the Contract between the United States and the State in 1974. This Schedule is approved and adopted by the Court and

THEREFORE, the Court hereby **ORDERS the following:**

1. The provisions of this Order shall apply to and be binding upon the Plaintiff, the United States of America, and the Defendants, the State of Oklahoma and the Oklahoma Water Resources Board (OWRB).

2. The undersigned representatives of the Plaintiff have represented that they have been fully authorized to enter into this **Order** and to execute and legally bind the United States. The Defendants also represent that they are fully authorized to enter into this Order and to execute and legally bind the State of Oklahoma and OWRB.

3. The State of Oklahoma is currently past due in payments due under the Contract of February 16, 1974 between the State and the United States, and due under the Judgment previously issued in this case, in the amount of \$ 21,783,809.49. In order to satisfy this past indebtedness, the State shall make the following payments:

(A) On or before September 1, 2009, The State of Oklahoma shall pay to the United States \$2,687,384.68 as the initial installment on amounts now past due under the Contract.

(B) On or before July 1, 2010 and thereafter annually for four additional years until and including July 1, 2014, the State of Oklahoma shall pay to the United States each such year \$5,266,775.92 (which represents a \$4 Million payment toward the past due indebtedness, an annual payment due each year under the Contract of \$923,515.19 for present use water supply storage, Operation and Maintenance Costs (O&M) due under the contract of \$147,200, and \$196,060.73 in accrued interest).

(C) From July 1, 2015 until the contract is paid in full under its terms, the State shall make an annual payment no later than July 1st of each year of \$939,575.92 (which represents a \$923,515.19 payment in principal plus interest of \$16,060.73) for present use water supply storage, and pay annual O&M costs as determined under the Contract in January of each such year.

4. It is further provided that on or before July 1, 2010 in lieu of the payments specified in subparagraphs 3(B) and 3(C) above, the State will have the option to pay the then current outstanding indebtedness, interest due thereon, and the obligation to pay for all present use water supply storage, by paying the sum of \$27,814,262.49. If this option is exercised, the State shall

continue to pay annual O&M costs as determined under the Contract.

5. In addition to the payments required by Paragraphs 3 and 4 above, the State of Oklahoma shall pay as required by the Contract for future use water supply storage space investment costs when billed by the United States. As of July 31, 2009, the United States estimates that those costs are currently \$38,202,796.83. The State shall also pay interest on that amount which shall accrue until such payment is made. The payment for future water supply storage must be made as provided in the Contract. Annual operation and maintenance costs on such future water supply storage will continue to be due after the future use water supply investment costs are paid in full.

6. The State shall also pay its proportionate share under the Contract of joint use repair, rehabilitation and replacement costs needed to insure the continued operation of the Sardis Lake project at the times specified in the Contract.

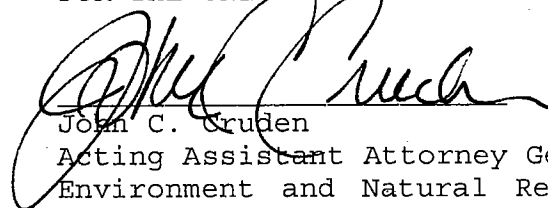
7. This Court will retain Jurisdiction for the purpose of enabling the United States or either of defendants to apply to the Court at any time for such further order, direction, and relief as may be necessary or appropriate for the enforcement of this Consent Order.

8. Contract DACW56-74-C-0134 shall remain in full force and effect subject only to the specific provisions of this Order. This Order is not intended to and shall not be interpreted as amending or modifying the terms of that Contract. No modification shall be made to this Consent Decree without written approval by all parties and the Court. No oral modification of this Consent Decree shall be effective. Nothing in this paragraph shall be deemed to alter the Court's power to supervise or modify this Order.

9. This Order shall remain in effect as long as the Water Supply Storage Contract remains in effect.

10. The Undersigned Parties have given their approval to this Agreement and request this Honorable Court to enter it as an **Order** of the Court.

FOR THE UNITED STATES OF AMERICA:



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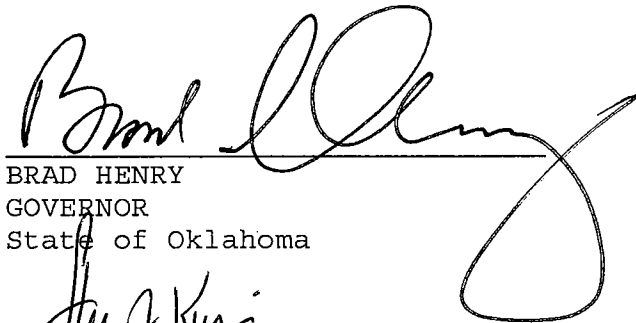
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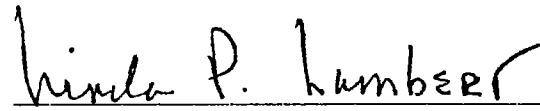
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FOR THE OKLAHOMA WATER RESOURCES BOARD:


CHAIRMAN
RUDY HERRMANN


SECRETARY
LINDA LAMBERT

Upon Motion of All Parties, the foregoing Order is hereby adopted by the Court and entered as an **Order** of this Court on this the 11th day of September, 2009.

A handwritten signature in black ink, appearing to read "James H. Payne", is written over a horizontal line.

James H. Payne
United States District Judge
Northern District of Oklahoma